



# **Department of Justice**

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**STATEMENT FOR THE RECORD OF**

**ERIC H. HOLDER, JR.  
ATTORNEY GENERAL**

**BEFORE THE**

**COMMITTEE ON THE JUDICIARY  
UNITED STATES SENATE**

**ENTITLED**

**“OVERSIGHT OF THE U.S. DEPARTMENT OF JUSTICE”**

**PRESENTED**

**January 29, 2014**

**Statement of  
Eric H. Holder, Jr.  
Attorney General  
U.S. Department of Justice**

**Committee on the Judiciary  
United States Senate**

**“Oversight of the U.S. Department of Justice”  
January 29, 2014**

Chairman Leahy, Ranking Member Grassley, and Members of the Committee: thank you for the opportunity to appear before you today to discuss the recent achievements and the ongoing priorities of the U.S. Department of Justice. I also want to express my gratitude – on behalf of my hardworking colleagues serving in Justice Department offices around the world – for your support of the Department’s work to seek justice on behalf of everyone in this country.

In particular, I would like to thank Members of Congress for coming together earlier this month to pass a bipartisan budget agreement that restores the Department’s funding to pre-sequestration levels. My colleagues and I are reviewing this legislation to determine its impact on specific programs and components, but we anticipate that it will provide for the hiring of additional federal agents, prosecutors, and other essential staff. This will allow us to invest in innovative programs, to keep supporting state and local law enforcement agencies, and to continue building upon the outstanding work that my dedicated colleagues have made possible over the past year.

As I have said many times before, the Department’s top priority must always be the protection of the American people from terrorism and other national security threats. Since I last appeared before this Committee, we have continued to strengthen key intelligence-gathering capabilities; to refine our ability to identify and disrupt potential terrorist plots; and to ensure that those charged with terrorism-related offenses can be held accountable to the fullest extent of the law. From the recently-unsealed guilty plea of Ahmed Abdulkadir Warsame, a former senior al-Shabaab commander and emissary to al-Qaeda in the Arabian Peninsula, on charges of terrorism, to the extraordinary and highly-coordinated FBI-led response to last year’s Boston Marathon bombing, the Department and its law enforcement allies have relentlessly fought to secure the American homeland and bring those who would harm our people to justice. In that regard, I urge the committee to approve the Nuclear Terrorism Conventions Implementation and Safety of Maritime Navigation Act, which passed the House last May. Enactment of this measure would strengthen national security and enhance multilateral efforts to combat terrorism and nuclear proliferation.

As President Obama noted in a speech at the Justice Department two weeks ago, in carrying out this work it is imperative that we continue working to protect our national security while upholding the civil liberties we *all* hold dear. On Monday, we took a significant step forward when the Department took action to allow more detailed disclosures about the number of national security orders and requests issued to communications providers, the number of customer accounts targeted under those orders and requests, and the underlying legal authorities. Through these new reporting methods, communications providers will be permitted to disclose more information than ever before to their customers. And as we move forward with the timely implementation of other reforms that the President announced, my colleagues and I remain committed to working closely with members of this Committee and other Congressional leaders to fulfill the President's directives and determine the best path forward.

Beyond this important work, the Department will continue to build on the progress we have seen in confronting a wide variety of other threats and challenges – from combating drug and human trafficking, to addressing cyber-attacks, protecting Americans from violent crime, and taking common-sense steps to reduce gun violence. Earlier this month, the Department took action to strengthen the federal background check system by clarifying federal rules concerning mental health-based prohibitions on firearm purchases. Under the leadership of our Civil Rights Division and our Community Relations Service Division, we are using important tools like the Matthew Shepard and James Byrd Jr. Hate Crimes Prevention Act to achieve justice and to prevent and respond to hate crimes on behalf of those who are victimized because of who they are, what they look like, or who they love. We are working diligently with our federal agency partners to implement the Supreme Court's ruling, in *United States v. Windsor*, to make real the promise of equal protection under the law for all American families – and extend applicable federal benefits to married same-sex couples. And we are vigorously enforcing federal voting protections – and working with Congressional leaders from both parties to refine and strengthen the proposals this body is currently considering –to help ensure that *every* eligible American has access to the franchise.

We are also striving to expand on the unprecedented successes that our litigating divisions and United States Attorneys' offices have made possible in recent years. During the fiscal year ending in 2013, the Justice Department collected more than \$8 billion in civil and criminal fines and penalties. This represents nearly three times the approximately \$2.76 billion in direct appropriations that pay for our 94 U.S. Attorneys' offices and main litigating divisions. And during FY2012 and FY2013, the Department collected more than \$21 billion – a record amount for a two-year span.

In addition, last year – as part of our ongoing efforts to hold accountable those whose conduct sowed the seeds of the mortgage crisis – the Department filed suits against Bank of America and the ratings firm S&P. Since 2009, we have filed charges against more than 37,000 white-collar defendants, more than half of whom are financial fraud defendants. And in November, the Department reached a \$13 billion settlement with JP Morgan Chase & Co. – the

largest settlement with any single entity in American history – to resolve federal and state civil claims related to the company’s mortgage securitization process. These results demonstrate that no firm, no matter how profitable, is above the law – and the passage of time is no shield from accountability. And they reinforce our commitment to integrity and equal justice in every case, in every circumstance, and in every community.

This commitment is reflected in the new “Smart on Crime” initiative I announced this past August – to strengthen our federal criminal justice system; to increase our emphasis on proven diversion, rehabilitation, and reentry programs; and to reduce unnecessary collateral consequences for those seeking to rejoin their communities. These efforts – including the Justice Reinvestment Initiative, which has already produced major state reforms – can improve outcomes and increase public safety and will make our expenditures both smarter *and* more productive. As it stands, too many Americans go to too many prisons for far too long, and for no truly good law enforcement reason. Federal prisons are operating over 30% above capacity. And spending on federal prisons consumes a quarter of the Department’s budget – a figure that’s expected to continue to increase.

As part of the “Smart on Crime” approach, I mandated a significant change to the Justice Department’s charging policies to ensure that people accused of certain low-level federal drug crimes will face sentences appropriate to their individual conduct – and that stringent mandatory minimum sentences will be reserved for the most serious offenders. Alongside other important reforms, this change will make our criminal justice system not only fairer, but also – by reducing the burden on our overcrowded prison system – more efficient, freeing up resources for police and prosecutors and other vital law enforcement priorities. And it will complement legislative proposals like the bipartisan Smarter Sentencing Act – introduced by Senators Dick Durbin and Mike Lee – which would give judges more discretion in determining appropriate sentences for people convicted of certain federal drug crimes. I look forward to working with Chairman Leahy, distinguished members of this Committee, and other leaders who have shown a commitment to common-sense sentencing reform – like Senator Rand Paul – to help advance this and other proposals.

I thank you all, once again, for your continued support of the Department of Justice. And I would be happy to answer any questions you may have.